

ASSEMBLY BILL

No. 943

Introduced by Assembly Member Dutra

February 25, 1999

An act to amend Section 8869.84 of the Government Code, relating to the California Debt Limitation Allocation Committee.

LEGISLATIVE COUNSEL'S DIGEST

AB 943, as introduced, Dutra. California Debt Limitation Allocation Committee.

Existing law establishes in state government the California Debt Limitation Allocation Committee with specified members. The committee is required to determine for each calendar year the state ceiling on private activity bonds, as those terms are defined, and perform other related duties.

This bill would make a technical, nonsubstantive change in these provisions.

Vote: majority. Appropriation: no. Fiscal committee: no. State-mandated local program: no.

The people of the State of California do enact as follows:

1 SECTION 1. Section 8869.84 of the Government
2 Code is amended to read:
3 8869.84. (a) The committee shall, as soon as is
4 practicable after the start of each calendar year,
5 determine and announce the state ceiling for the
6 calendar year.

(b) The entire state ceiling for each calendar year is hereby allocated to the committee to further allocate to state and local agencies as provided in this chapter.

(c) The committee shall prepare application forms and announce procedures for receipt and review of applications from state and local agencies desiring to issue private activity bonds.

(d) The committee may at any time, before or after granting any allocations in any calendar year to any state agencies or local agencies, announce *the* priorities or reservations of any part of the state ceiling not theretofore allocated either for certain categories of bonds or categories of issuers.

(e) The committee may require any issuer making an application to the committee or MBTCAC for allocation of a portion of the state ceiling to make a deposit, as determined by the committee, of up to 1 percent of the portion requested. If an allocation is not given, the deposit shall be returned. If an allocation is given, the deposit shall be kept (in proportion to the amount of allocation given) until bonds are issued. Upon that issuance, the deposit shall be returned to the issuer in an amount equal to the product of (1) the amount of the deposit retained times (2) the ratio between the amount of bonds issued divided by the amount of allocation granted. If no bonds are issued prior to the expiration of the allocation, the deposit shall be kept, unless the committee determines there is good cause to return all or part of the deposit. Any portion of a deposit kept shall be deposited in the fund.

(f) The committee may transfer part of the state ceiling to the MBTCAC, to be used for qualified mortgage bonds and exempt facility bonds, as those terms are used in the Internal Revenue Code, for qualified residential rental projects, as those terms are used in the Internal Revenue Code, (together referred to as “housing bonds”), with directions and conditions pursuant to which MBTCAC may allocate those amounts to issuers of housing bonds at both the state and local level. In carrying out these functions, MBTCAC shall act solely as directed or authorized by the committee. If the committee makes

1 the transfer to MBTCAC authorized by this subdivision,
2 the references in Sections 8869.85, 8869.86, 8869.87, and
3 8869.88 to the “committee” shall, for purposes of any
4 housing bonds, be deemed to mean MBTCAC.

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